



Servicer/Master Servicer Oversight Job Aid

In order to assist the servicer/master servicer in conducting its oversight functions of its subservicer or outsource vendor, the following table lists the oversight requirements and provides examples the servicer/master servicer should consider incorporating in its oversight programs. Given the evolving nature of compliance and oversight, it is not possible to provide an exhaustive list.

Fannie Mae Requirement	Examples
<p>Maintain policies and procedures for selecting and assessing a subservicer/outsource vendor.</p>	<ul style="list-style-type: none"> • Experience with special products • Training programs, (e.g., compliance with applicable law) • Financial ability to perform its obligations • Background checks • Predictive indicators of current portfolios • Capacity models and plans for staffing
<p>Conduct audits and quality control reviews on subservicer/outsource vendor for contracted servicing activities, including services performed outside the United States, to ensure compliance with Fannie Mae requirements.</p>	<ul style="list-style-type: none"> • Maintaining servicer status • Maintaining satisfactory Financial Condition • Acceptable Fidelity Bond and Errors and Omissions • Escrow Management (e.g. disbursements, flood zone mapping, homeowners association fees) • Adequacy of Staffing • Law/Regulatory Compliance • Investor Accounting • Delinquency Management (e.g. collections, bankruptcy, loss mitigation, foreclosure, real estate owned) • Property inspection, property repair, property maintenance/ preservation and property hazard insurance services



Fannie Mae Requirement	Examples
<p>Conduct operational assessments and reviews that measure the subservicer/outsourcer vendor performance in various departments.</p>	<ul style="list-style-type: none"> • Customer servicer • Escrow Administration • Property, Flood, and Mortgage Insurance • Property inspection, repair, maintenance and preservation • Collections • Loss Mitigation • Investor Relations/Reporting • Mortgage Loan Payment Processing • Accounting, Reporting, and Remitting • Document Custody and Record Retention • Delinquency and Annual Financial and Management Reporting • Data Integrity • Bankruptcy, Foreclosure, and REO Management
<p>Ensure subservicer/outsourcer vendor has policies and procedures for the contracted servicing activities.</p>	<ul style="list-style-type: none"> • New loan setup/Boarding • Escrow Management .e.g. disbursements, flood zone mapping, homeowners association fees • Delinquency Management (e.g. collections, bankruptcy, loss mitigation, foreclosure, real estate owned) • Customer Service • Investor Accounting (e.g. reporting, remitting, reconciliations) • General Servicing • Quality Control and Audit • Law compliance (e.g. Fair Housing, ECOA, TIL, wrongful discrimination)

NOTE: Some monitoring activities may occur more frequently than others and the type of overviews may vary. Examples of monitoring activity types are on-site, via a remote system or information reporting that is submitted by the subservicer.

NOTE: In all instances the subservicer or outsourcer vendor who provides services to the servicer/master servicer from an offshore location (i.e., not in any State) must apply the same requirements and ensure the same level of service and compliance that is applicable to a subservicer or outsourcer vendor providing services to the servicer/master servicer from within the United States.

Fannie Mae reserves the right, from time to time, to amend the performance criteria, modify how the results are determined, and revise the content of the performance metrics. The servicer must make available to Fannie Mae upon request all policies, procedures, reviews, contracts, etc.